REMARKS/ARGUMENTS

Favorable reconsideration of this application in view of the above amendment and following remarks is respectfully requested.

Claims 11-19 are pending in this application. Claims 15-16 and 19 are withdrawn from consideration. By this amendment, Claim 18 is amended; and no claims are canceled or added herewith. It is respectfully submitted that no new matter is added by this amendment.

In the outstanding Office Action, Claim 18 was rejected under 35 U.S.C. § 102(b) as anticipated by U.S. Patent No. 6,227,979 to <u>Yamamoto</u>; and Claims 11-14 and 17 were indicated as allowed.

With respect to the rejection of Claim 18 as anticipated by <u>Yamamoto</u>, that rejection is respectfully traversed. It s respectfully submitted that <u>Yamamoto</u> does not teach or suggest an input shaft in meshing engagement with a ring gear and a propeller shaft connected to said input shaft via a constant velocity universal joint, wherein an end of said first power transmission member has an inner surface defining an internal cavity that opens towards the input shaft, an outer race of the constant velocity universal joint is formed at the inner surface, and an inner race of the constant velocity universal joint is formed at a surface of the input shaft, as recited in Claim 18.

Instead, <u>Yamamoto</u> discusses providing a constant velocity universal joint to suppress the load at the touch point between the ball and the inner and outer grooves. In particular, as shown in Fig. 1 of <u>Yamamoto</u>, a differential 4 is connected to the output side of the transmission 3. The output side of the differential 4 includes a pair of front drive shafts 5 which are connected to the front wheels 6. The drive shafts are equipped with constant velocity universal joints 7 connected to the differential 4, shafts 8 are connected to the constant velocity universal joints 7, and universal joints 9 connect the shafts 8 and the front wheels 6. The vehicle of <u>Yamamoto</u> is a front engine/front drive vehicle.

Accordingly the features of the claimed invention are not taught in the applied art. That is, the applied art does not teach or suggest that a constant velocity universal joint is provided between a propeller shaft and a differential gear, as set forth in Claim 18. In accordance with the features of the claimed invention, since propeller shaft has an inner surface defining an internal cavity, and outer race of the constant velocity universal joint is formed at the inner surface, the constant velocity universal joint is disposed in internal cavity. As a result, leakage of grease and the like from constant velocity universal joint can be prevented. Thus, a differential gear having a long life and of high reliability can be obtained. The features of the claimed invention are not taught in the applied art and therefore the applied art cannot provide at least the advantages discussed above. Accordingly, withdrawal of the rejection of Claim 18 under 35 U.S.C. § 102(b) is respectfully requested.

Consequently, for the reasons discussed in detail above, no further issues are believed to be outstanding in the present application, and the present application is believed to be in condition for formal allowance. Therefore, a Notice of Allowance is earnestly solicited.

Should the Examiner deem that any further action is necessary to place this application in even better form for allowance, the Examiner is encouraged to contact the undersigned representative at the below listed telephone number.

Respectfully submitted,

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